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ABSTRACT

This Project Drive booklet titled Insurance is one of eight booklets designed for intermediate-level English-as-a-second-language students and low-level adult basic education/basic reading students. The goal of the booklet is to aid the student in developing the oral and sight vocabulary necessary for a basic driver training program. The booklet contains exercises designed either for individual instruction or group work. Appended material includes supplementary exercises, a pretest and posttest, and a word list of important vocabulary presented in each unit of the booklet. (LRA)

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PROJECT DRIVE

INSURANCE

BOOK EIGHT

1979

LANCASTER-LEBANON INTERMEDIATE UNIT 13

Box 5026 - Lancaster, PA 17601

Doris Zook - Curriculum Coordinator
Shara Rineer - Illustrator
Sherry Royce - Project Director

CE 024 643

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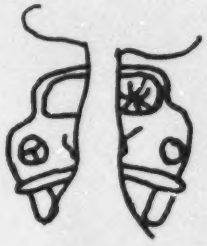
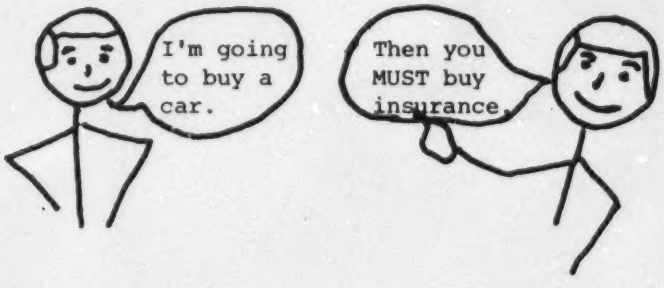
INSURANCE - A PROTECTION FOR YOU AND YOUR PROPERTY



The road was slippery. Bill was going just a little too fast. Suddenly there was a curve ahead. The car began to skid. Bill lost *control* of the car. BANG! It hit a tree!

Even the best, most experienced drivers get into situations like the one above. It's even worse if there is another car and other lives involved. What can a driver do if he has an accident? Does he lose all the money he spent on his car? What about the costs of medical care for injuries or *legal problems?*



Every driver should buy car *insurance* as soon as he decides to buy a car. In Pennsylvania this is a law. It is a *financial responsibility law*. It says that the owner of a car must be able to pay (assume financial responsibility) for damages to others if he, or anyone driving his car, is in an accident.

EXERCISE 1: Is the sentence *true* (T) or *false* (F)? Circle the correct answer.

1. T F A good driver doesn't have accidents.

2. T F In Pennsylvania, a car owner must have car insurance.

3. T F The financial responsibility law says you must pay for damages to your own car.

EXERCISE 2: Let's talk!

1. Who has accidents?

2. Why should every driver have insurance?

When you want to buy a car, you will not be given the automobile registration until you show that you have the *compulsory* (required) insurance coverage: Your insurance company must tell the Bureau of Traffic Safety if you don't keep paying for your *insurance coverage*. Then, you would lose your registration. But first, the Bureau of Traffic Safety would ask you these questions:

CHECK APPROPRIATE BLOCKS (X), SIGN AND RETURN THIS FORM IMMEDIATELY

☐ I have obtained motor vehicle Libility Insurance with another Pennsylvania Licensed Insurance Company, or I have reinstated my policy with the company for the described vehicle. My policy information is as follows:

INSURANCE COMPANY (Not Agency)_____

POLICY NUMBER _____ Eff. Date_____

AGENT'S NAME_____

FOR INSURANCE COMPANY USE ONLY

If no coverage is in effect please check here and return to Bureau of Traffic Safety. If coverage is afforded please maintain for your record.

☐ I have not replaced the insurance for the vehicle described hereon because it has been:

- ☐ JUNKED
- ☐ TRADED-IN
- ☐ SOLD
- ☐ TRANSFERRED AS A GIFT

☐ I do not possess registration card for this vehicle because it has been:

- ☐ RETURNED TO TRAFFIC SAFETY
- ☐ DESTROYED OR LOST
- ☐ TRANSFERRED TO ANOTHER VEHICLE, WITH TITLE NUMBER _____

I HEREBY CERTIFY, UNDER PENALTY OF LAW, THAT THE STATEMENTS MADE HEREIN ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SIGNED_____ Date_____

EXERCISE 3: Fill in the blank with the appropriate word.

1. To get your automobile registration you must show that you have the compulsory insurance _____.
2. If you don't keep paying for your insurance, you will lose your _____.
3. _____ means given in part payment for another car.
4. _____ means thrown away.
5. _____ means given to someone else.

EXERCISE 4: Complete the form with the following information.

Information: Your new insurance company is State Farm Insurance.

Your agent is Bob Smith.

Your policy number is 77553, effective March 1, 1979.

Don't forget to sign your name!

CHECK APPROPRIATE BLOCKS (X), SIGN AND RETURN THIS FORM IMMEDIATELY

☐ I have obtained motor vehicle Libility Insurance with another Pennsylvania Licensed Insurance Company, or I have reinstated my policy with the company for the described vehicle. My policy information is as follows:

INSURANCE COMPANY (Not Agency) _____

POLICY NUMBER _____ Eff. Date _____

AGENT'S NAME _____

FOR INSURANCE COMPANY USE ONLY

If no coverage is in effect please check here and return to Bureau of Traffic Safety. If coverage is afforded please maintain for your record.

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- ☐ TRANSFERRED TO ANOTHER VEHICLE, WITH TITLE NUMBER _____

I HEREBY CERTIFY, UNDER PENALTY OF LAW, THAT THE STATEMENTS MADE HEREIN ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SIGNED _____ Date _____

Let's take a closer look to find out what insurance is all about. Insurance protects you and your property in case something happens - like poor Bill on the slippery road. When you are covered by insurance and something does happen, then the insurance will pay all or part of your bills.

Sound great so far? But how do you get insurance coverage? The first step is to talk to an *insurance agent* - a man who sells insurance. He can answer your questions and help you find out what kind of insurance you need. He will ask you a lot of questions and together you will fill out an application form. There is a sample form on the next page so that you can see some of the questions he might ask you.

EXERCISE 5: Turn to the application form.

1. Answer #3.
2. Fill in this information in #5:

   Chevrolet Nova, 6 cylinder, 300 horsepower, sedan, #1107834607 $2100, bought May, 1978.

3. Answer #7, #8, #12.

4. Read the WARNING and questions on #14.

5. Answer #15, #17, #18, #19.

EXERCISE 6: Fill in the blanks with an apporpriate word.

1. A man who sell insurance is an insurance _____.

2. To get insurance, you must fill out an _____ form.

3. The person who wants insurance is called the _____.

   (See #3 on the following form.)

43 AUTO APP

Application to: (check appropriate box)

☐ ERIE INSURANCE EXCHANGE Erie, Pa. 16530

☐ ERIE INSURANCE COMPANY

(Home Office Use Only)

The Applicant applies for insurance and warrants the following to be true.

Please Type or Print with Black Ink

1 AGENT'S NO ..... Agent's Name ..... Policy No .....

2 POLICY EFFECTIVE ..... ☐ A.M. ☐ P.M. From ..... To ..... For .....
Time Month Day Year Month Day Year No. of Months

3 NAME OF APPLICANT Mr. ☐ Mrs. ☐ Miss ☐ ..... Please Print ..... ☐ Individual ☐ Partnership ☐ Corporation

Home Phone # .....

ADDRESS ..... Number and Street ..... City or Town ..... State ..... Zip Code .....

Township ..... County ..... (In absence of a street number, give name of road and detailed location by describing with landmarks, etc.)

How long has Applicant resided at present address? ..... If less than two years, give previous address of a two-year duration

(Not military) .....

4 LIENHOLDER: Is vehicle(s) fully paid for? ..... Are we to protect lienholder's interest? ..... If yes, include Physical Damage Coverage and give

Name ..... Car # ..... Name ..... Car # .....

Address ..... Address .....

5 VEHICLE(S): If more than three and not fleet rated, complete a separate App for additional vehicles.

	Year	Make	Cyl	Horse Power	Body Type	Model	Veh Ident No	Your Cost (Truck Cost New)	Date Pur Mo Yr	N U	H O Use	Terr	Symb	H O Use	Rate Class A—I Etc	D D P
Car 1																
Car 2																
Car 3																

6

	Bodily Injury Liability	PIP CODE (PA.)	Uninsured Motorists	Property Damage Liability	Fire	Theft	Comprehensive	Collision	Other	Totals
	Per Person / Per Occur ☐ $10,000 / $20,000 ☐ 15,000 / 30,000 ☐ 20,000 / 40,000 ☐ 25,000 / 50,000 ☐ 50,000 / 100,000 ☐ 100,000 / 300,000 ☐	☐ 100 ☐ 101 * ☐ 300 ☐ ..... * When third digit of code is 1-2-3 attach app for other Primary Coverage MED PAY Per Person $	BI PD State ☐ 15/30/0 Pa ☐ 10/20/0 D C ☐ 10/20/5 W Va ☐	Per Occur ☐ $10,000 ☐ 25,000 ☐ 50,000 ☐ 100,000	☐ Stated Amount $	☐ Stated Amount $	☐ A-Excl road serv ☐ B-Incl road serv ☐ C-Road serv only ☐ Other ☐ Stated Amount $ Deductibles ☐ $50 ☐ Other $	☐ 100 Ded ☐ 150 Ded ☐ 200 Ded ☐ 250 Ded ☐ Other	☐ Loss of Use — Collision ☐ Death and Disability ☐ C B Radio	Total per Car
Car 1	$	$	$	$	$	$	$	$	$	$
Car 2										
Car 3										

H O USE ONLY

P C

PAYMENT PLAN A B C ☐ ☐ ☐ ☐ Acct. Billing

CASH

$ .....
$ .....
$ .....
$ .....

Endorsements $
Total Premium $
Payment $
Balance Due $

7 CLASS A RATED—Complete

	Car No. 1 Yes No	Car No. 2 Yes No	Car No. 3 Yes No
Is car driven to work, school, etc.?	☐ ☐	☐ ☐	☐ ☐
If yes, what is road mileage one way?	.....	.....	.....
Is car used in a car pool?	☐ ☐	☐ ☐	☐ ☐
If yes, how many drivers?	.....	.....	.....
Is car used for business purposes?	☐ ☐	☐ ☐	☐ ☐

8 OCCUPATION .....

Employer and address .....

9 LIABILITY CERTIFICATE

Name .....

Address .....

10 The vehicle(s) will be principally used in the locality indicated in address except as follows .....

11 FARM CARS: Applicant must live on owned or rented farm. Cars must be used exclusively in connection with owned or rented farm(s). No. of Acres ..... If vehicle(s) is used for any type of retail delivery and/or used to haul yours or neighbor's produce more than 50 miles, explain under section 12, how often and to where .....

12

List All Drivers	Drivers License No	Age	Birth Date	Relationship	Occupation-If College Student, give Name of College and Location	Mar Status	Y Name Car Titled	X Actual Owner	Use of Car #1	Use of Car #2	Use of Car #3	Years Licensed
APPLICANT				xxxxxxx	xxxxxxx							
.....												
.....												

☐ R C ☐ W L ☐ MVR

☐ V ☐ C ☐ VF APP CR ☐ MV ☐ FAM ☐ NC

BULLETIN NO

ACCEPTED ERIE ..... 19 ..... BY .....

RATED BY .....

Exchange Only

13 COMMERCIAL VEHICLE(S): What are the exact uses?

What is Gross Wt. (Pa., N.J., W.Va.); Net Wt. Unladen (Ohio, D.C.); Gallon Capacity or Bus Seating Capacity?

What is mileage limitation? If vehicle(s) is used to haul goods beyond 50 mile radius of Applicant's address, how often are trips made?

What cities do they enter or pass through?

Does it have dual rear axle (not dual wheels)? Haul trailers? If ICC Filing is required, give Docket No.

If State Filings are required, give State and Docket No.

IF THE ANSWERS TO ANY OF THE FOLLOWING ARE "yes", give driver's name and requested details below. (If necessary, attach additional sheet securely.)

WARNING

14 An incorrect answer, intentional or not, to any question below may jeopardize the acceptance of this application.

		YES	NO
(a)	Has any driver had any auto insurance refused, cancelled or expired? Has any driver been excluded or restricted on a policy? In either case, give name of Company, policy no., date, reason if known	☐	☐
(b)	Has any driver ever been required to file evidence of financial responsibility? (Give year and reason)	☐	☐
(c)	Has any driver ever had his driver's license revoked or suspended? (Give year and reason)	☐	☐
(d)	Has any driver received a ticket for speeding or any other vehicle code violation within the past 5 years? (Give date and violation and for speeding, give M.P.H. over limit)	☐	☐
(e)	Has any driver ever been arrested for ANY reason? (Give date, place of arrest, conviction and penalty)	☐	☐
(f)	Does any driver or any member of the household have a chronic ailment or an impairment? Describe any chronic illness (heart, diabetes, etc.). Nature of impairment, extent, How long impaired, cause	☐	☐
(g)	Any comprehensive losses (fire, theft, etc.) in last 5 years (describe)	☐	☐
(h)	Has any driver, while driving a motor vehicle, been involved in an accident during past ten years? If yes, describe all accidents — regardless of who was at fault under No. 15 below	☐	☐

15

Accid. Date	Driver: Name	Driver: Usually Drives	Complete Description of Accident (If necessary, attach additional sheet) (Including $ damage, who paid, whose vehicle driver was driving, etc.)
		Car #	
		Car #	
		Car #	

16 DEFENSIVE DRIVER PLAN—Refer to Rule 26 of Auto manual for applicable surcharge for accidents and/or violations. However, if an accident described above occured in preceding 36 months, it will be considered non-chargeable if one of the reasons below can be checked yes.

		Yes	Date of Accident
(a)	Vehicle was of a type not eligible for rating under this Plan	☐	
(b)	Automobile lawfully parked	☐	
(c)	Reimbursed by, or in behalf of person responsible for the accident, or have judgment against such person	☐	
(d)	Automobile struck from rear by another vehicle and applicant or person in his household not convicted	☐	
(e)	Automobile struck by "hit-and-run" driver and so reported to the police within 24 hours	☐	
(f)	Other driver involved in accident convicted and applicant or person in his household not convicted	☐	
(g)	Damage caused by contact with animal, fowl, flying gravel, missiles or falling objects	☐	
(h)	Involved Personal Injury Protection coverage only — no damage to any property	☐	
(i)	Occurred while driving an automobile in response to an emergency call to duty as a paid or volunteer member of any police or Fire Department, First Aid Squad or any law enforcement agency	☐	

17 Check if Car Has ☐ Special Factory or Custom Paint ☐ Jobber — Cost $ ☐ C.B. Radio Cost of Radio $ ☐ Custom Interior

18 Does car operate "not"

19 DRIVER TRAINING: If any male driver qualifies for Driver Training Discount, attach Certificate to this application.

20 INSURANCE RECORD: Name of Company which last carried your auto insurance

Other company Policy No.

Were you ever insured with ERIE? When?

If so, give name in which policy was written

ERIE Policy No.

Does Applicant reside with any other ERIE policyholder?

If so, give name, relationship & Policy No.

No. of children at home whether drivers or not: Boys ages Girls ages

How long have you known Applicant?

21 SOURCE OF APPLICATION ☐ Prev. Solicitation ☐ Personal Friend ☐ Unsolicited Telephone Call ☐ Telephone Solicitation ☐ Unsolicited Walk-in ☐ Recomm. by our P.H. NAME

AGENT: Do you consider this an acceptable risk? ..... I certify that I have read to the Applicant all of the questions as they are printed on this application. I further certify that I have included in the application all answers as given by the Applicant.

WARNING TO AGENT: Do not bind risks that have been previously cancelled or declined or not renewed. Do not bind risks with a chronic ailment or impairment.

Agent's Signature .....

APPLICANT: I understand that this automobile insurance application is for an Erie Insurance Company Auto policy at a higher premium rate than that of the Erie Insurance Exchange. I also understand that I can obtain auto insurance through my state Automobile Insurance Plan.

APPLICANT TO COMPANY SIGN HERE ▶ APPLICANT'S SIGNATURE ..... 19 .....

I certify that, to the best of my knowledge, I have given true answers to the questions in this application. (Date)

Applies to Erie Insurance Exchange Only

For and in Consideration of the benefits to be derived therefrom and the covenants herein contained, the undersigned Subscriber hereby covenants and agrees with the other Subscribers at Erie Insurance Exchange and their and each of their Attorney-in-Fact, the **Erie Indemnity Company**, a corporation under the laws of the State of Pennsylvania, as follows:

First: The Subscriber agrees to pay the premium deposits provided for in policies issued to and accepted by the Subscriber and to exchange with other Subscribers reciprocal or inter-insurance contracts or policies providing insurance among themselves for any loss insured against as provided by Acts of Assembly and set forth in said policies of insurance.

Second: The Subscriber hereby designates, constitutes and appoints the said **Erie Indemnity Company**, hereinafter called "Attorney", to be Attorney-in-Fact for Subscriber and in Subscriber's name, place and stead to do all things which he she may, Subscriber or Subscribers might or could do with reference to any policies made hereunder or any renewals or transfers thereof, and especially to exchange policies with Subscribers at Erie Insurance Exchange, and in the Subscriber's name to make, issue, modify or cancel policies thereby containing such terms, warranties and agreements as Attorney-in-Fact shall deem best to procure reinsurance, to collect, receive and receipt for all money due from or to be credited to the Subscriber's account by reason of such policies, to give, waive or receive all notices or proofs of loss, to adjust and settle all losses and claims under Subscriber's policies, to appear for, compromise, prosecute, defend or adjust any claims, suits, or proceedings on Subscriber's policies, to do any act with reference to Subscriber's liability under said policies, which Subscriber could do, with power of substitution. The power of attorney hereby given is strictly limited to the uses and purposes herein expressed and to the provisions, agreements and conditions contained in the policies issued hereunder and any renewals or transfers thereof. The Subscriber further agrees to execute and deliver to the Attorney-in-Fact all papers necessary to carry out the purpose and provisions hereof.

Third: Subscriber agrees that up to twenty-five per centum (25%) of the Premiums may be retained by and paid to the **Erie Indemnity Company** as compensation for and in consideration of it's performing Attorney-in-Fact for Subscriber aforesaid. The remainder of said premiums shall be applied to the payment of losses, adjustment expenses, legal expenses, court costs and reinsurance, or repaid to the Subscriber as provided in said policies.

This agreement can be signed upon any number of counterparts with the same effect as if the signature of all Subscribers were upon one and the same instrument, and whenever the word "Subscriber" is used the same shall mean Subscriber or Subscribers to this or any duplicate agreement, and shall be and is binding upon the parties hereto, their Executors, Administrators, Successors or Assigns severally and jointly as provided in said policies.

APPLICANT TO EXCHANGE SIGN HERE ▶ **SUBSCRIBER** In witness whereof the Subscriber hereto sets his hand and seal.

Signature Date

I certify that, to the best of my knowledge, I have given true answers to the questions in this application.

Ask the agent to explain the kinds of insurance available and which ones your state requres. The three main types of insurance are:

1. liability coverage
2. collision coverage
3. comprehensive coverage

Let's look at each of these and some other types of coverage.

Liability insurance is the most important insurance to buy. It helps you pay for the damages to others if an accident is your fault. It does not pay for any of your own damages. There are two types of liability coverage:

1. *Bodily injury* - covers payment of medical, hospital, or funeral costs of others.
2. *Property damage* - covers damage to the property of others.

Hospital Bill
$1,000

+

Car Repair
for J. Smith
$550

= $1,550

INSURANCE CHECK
to J. Smith
$1,550

In Pennsylvania the law requires that you carry $15,000/$30,000 coverage for bodily injury. ($15,000 for injury to one person; $30,000 for injury to more than one person) and at least $10,000 property damage coverage. These are the minimum amounts, you may carry more coverage.

EXERCISE 7:

1. In the accident on page one, Bill hit a tree on Mr. Jones' property. He also ran over three bushes of Mr. Jones'. The cost to repair the damages to the property will be $85.00 How much will Bill's insurance company pay Mr. Jones? _____

2. John fell asleep while driving. His car hit Miss Smith's. She was taken to the hospital. Her hospital bill was $430. It cost $765 to repair her car. How much will John's insurance company pay Miss Smith? _____

EXERCISE 8: Write a sentence to answer the following questions.

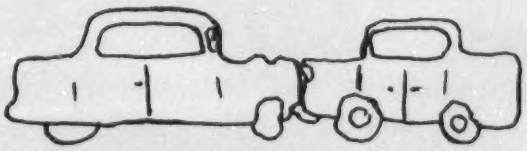
1. What are the three main types of insurance?

2. What does liability insurance cover?

3. What are the two types of liability coverage?

To protect yourself and your family from the costs of bodily injury, there are *Personal Injury Protection Coverage* and *Uninsured Motorist Coverage*. Personal Injury Protection (replacing Medical Payment coverage) pays for you and your family's medical, hospital, or funeral expenses no matter who caused the accident. In Pennsylvania the coverage must again be $15,000/$30,000.

Uninsured Motorist coverage protects you and your family from the costs of bodily injury caused by another driver who doesn't have liability insurance or by a *hit-and-run* driver. It may also cover you when you are walking or driving someone else's car. In Pennsylvania, the coverage must be $15,000/$30,000.



EXERCISE 9: Is the sentence *true* (T) or *false* (F)? Circle the correct letter.

1. T F Liability insurance for property damage covers damage to your car when the accident is your fault.

2. T F To pay for your injuries in an accident that is your fault, you need Personal Injury Protection insurance.

3. T F Liability insurance for bodily injury covers only the injuries of those in the other car when the accident is your fault.

4. T F If you are hit in a hit-and-run accident, you need uninsured motorist coverage.

5. T F In Pennsylvania the required liability coverage for bodily injury is $30,000/ $15,000.

The second main type of insurance is *collision insurance*. It is not required by state law. You may choose if you want it or not. Collision insurance will help you pay for damages to your car.

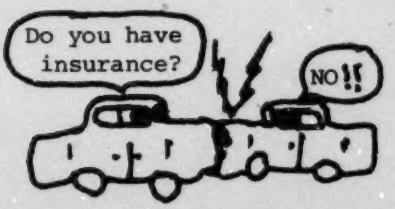
If an accident is your fault,

or

if you can't decide whose fault it is, or

It's your fault!

No, it's your fault!



if the driver who caused the accident has no insurance.

Collision insurance will not pay all of the bill. You must pay part of it - it is a "*deductible*" insurance. If you have a $50 deductible collision insurance, that means you pay the first $50 of the bill and the insurance company pays the rest. You could also choose a $100 deductible or even a $250 deductible - they are cheaper.

EXERCISE 10: Bill has $100 deductible collision insurance. How much must he pay if...?

1. The cost to repair his car is $400.

   Bill pays _____. The insurance company pays _____.

2. The cost to repair his car is $780.

   Bill pays _____. The insurance company pays _____.

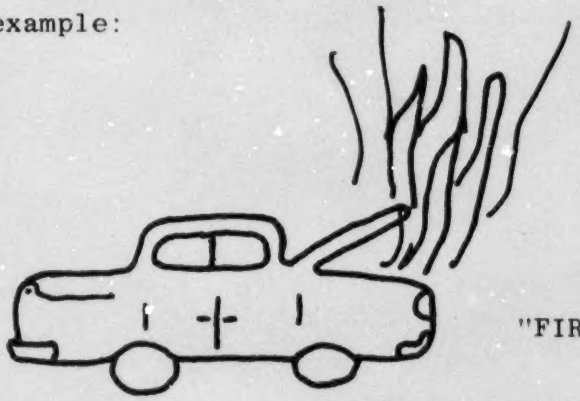
EXERCISE 11: Let's talk!

1. What does collision insurance cover?

2. What does "deductible" mean?

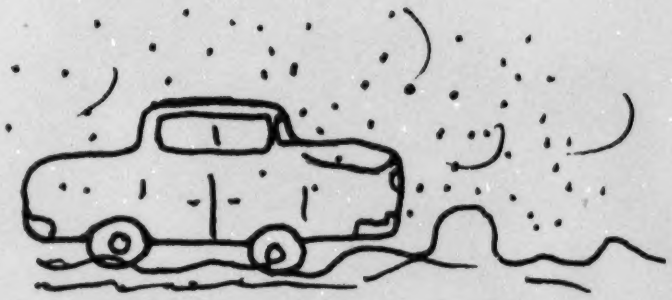
The third main type of insurance is *comprehensive insurance*. It is usually a deductible insurance. It is not required by state law, but if you borrowed money to buy you car, the lender usually requires you to carry comprehensive coverage. Comprehensive coverage protects your car from damage caused by something other than a collision.

For example:



"FIRE"

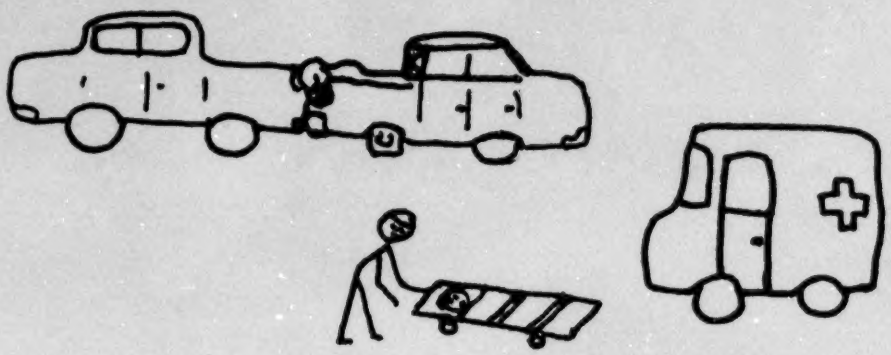
"WEATHER"



"THEFT"

EXERCISE 12: Which insurance do you need? Draw a line from the accident descriptions to the insurance needed.

1. You ran into a tree. Your car repair bill is $325.	A. Liability
2. Another car hits yours. The driver doens't have insurance. Your doctor bill is $110.	B. Personal Injury Protection
3. You ran into another car. The accident was your fault. The other driver's doctor bill is $250.	C. Uninsured Motorist
4. Your car was damaged in a hail storm. The repair bill is $185.	D. Collision
5. In an accident, you and your family were hurt. You went to the hospital. Your bill was $1250.	E. Comprehensive
6. You ran into another car. The accident was your fault. It costs $475 to fix the other car.	



Recently many states are trying to change the insurance system. They are requiring *no-fault insurance*. No-fault insurance is supposed to protect all accident victims no matter who caused the accident. It works like this: if you were in an accident, your insurance company would pay for your medical bills and wage losses and those of your passengers; the other driver's company would pay for his bills and losses - no matter whose fault the accident was! No-fault insurance does not cover property damage.

Pennsylvania is one state which requires a minimum coverage of no-fault insurance plus liability insurance. Let's review the amounts of coverage required:

Liability - bodily injury $15,000/$30,000
property damage $10,000

Uninsured Motorist Coverage - $15,000/$30,000

Personal Injury Protection - $15,000/$30,000

You are then required to carry proof of your no-fault insurance with you at all times. On the next page is one example:

EXERCISE 13: Fill in the blanks:

1. Many states now require _____ insurance.

2. This insurance would pay for your _____ bills and wage _____ and those of your passengers.

3. It would not pay for _____ damage.

4. To pay for damage to others, you should also carry _____ insurance.

5. You are always required to carry _____ of your no-fault insurance with you at all times.

EXERCISE 14: Write a sentence to answer the following questions.

1. What does no-fault insurance cover?

2. What is not covered by no-fault insurance?

BP-1 PENNSYLVANIA NO-FAULT INSURANCE IDENTIFICATION CARD

This card must be shown to any Law Enforcement Officer upon request

2727 ERIE INSURANCE EXCHANGE ☐ **2718 ERIE INSURANCE COMPANY**

(Only if block is marked [X])

An authorized Pennsylvania insurer has issued an Owner's Policy of Liability Insurance under Section 104(a) of the Pennsylvania No-Fault Motor Vehicle Insurance Act.

POLICY NUMBER

EFFECTIVE DATE

Not Valid More Than One Year From Effective Date

Applicable with respect to the following Motor Vehicle:

Year	Make	Vehicle Identification Number*	Authorized Representative
			J. W. Hirt

***If only 5 Digits show, they are the last 5 Digits**

SEE IMPORTANT MESSAGE ON REVERSE SIDE

IMPORTANT NOTICE

REGARDING YOUR NO-FAULT IDENTIFICATION CARD

Dear Policyholder

We are required by Pennsylvania law to send you an I.D. card for each of your motor vehicles we insure. The card shows that a no-fault insurance policy has been issued for the vehicle described.

When you are asked, the I.D. card must be shown to any police officer, judge, state trooper or hearing officer. In the event of an accident, each driver has the right to see the other driver's insurance I.D. card.

If you lose the card, contact your insurance agent or company for a replacement.

The I.D. card information may be used for vehicle registration and replacing license plates. If your no-fault policy is not in effect, the I.D. card is no longer valid.

It is against Pennsylvania law to use the I.D. card fraudulently such as using the card as proof of

(continued on other side)

(continued from other side)

insurance after the policy is terminated. It is also illegal to operate or let someone else operate a vehicle without the required insurance.

Pennsylvania law requires you to *surrender your license plates* to the Department of Transportation if you stop the insurance coverage. Don't drive or let anyone else drive the vehicle in Pennsylvania until the required insurance is in effect.

ERIE INSURANCE GROUP

P.S. If only the last 5 digits of the Vehicle Identification Number are shown, we have been given permission to show only these numbers on the card. The authorities will accept these numbers because they are properly identified.

You will receive a separate card for each insured vehicle. Be sure to place the proper card in the proper vehicle. The size and content of the card are prescribed by the Pennsylvania Insurance Department. It is not intended that you carry the card on your person. Place the card in the insured vehicle.

BP-1

THIS CARD MUST BE CARRIED FOR PRODUCTION UPON DEMAND. IT IS SUGGESTED THAT YOU CARRY THIS CARD IN THE INSURED VEHICLE.

WARNING: Any owner or registrant of a motor vehicle who operates or permits a motor vehicle to be operated in this state without the required insurance is liable to a heavy fine and/or imprisonment and his registration may be suspended or revoked.

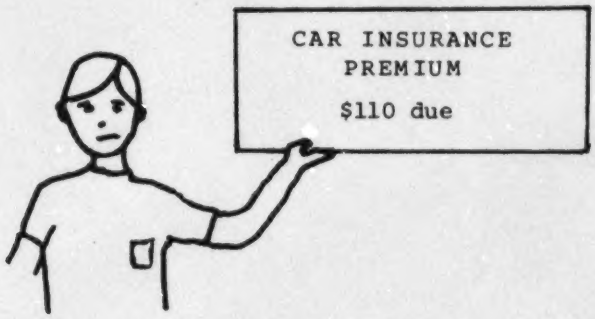
NOTE: THIS CARD IS REQUIRED WHEN:

(a) You are involved in an auto accident
(b) You are stopped for a moving violation
(c) You are stopped for a road spot check

ERIE INSURANCE GROUP

ERIE INSURANCE EXCHANGE
ERIE INSURANCE COMPANY
HOME OFFICE P.O. BOX 1699
ERIE, PENNSYLVANIA 16530

After you and the insurance agent have talked about the kinds of insurance you should have, he will figure out how much the insurance will cost. The cost of the insurance is called the *premium*. You must pay the premium each year. You may pay it once a year, or in smaller payments two, four, or even 12 times a year It depends on how much you want to pay at one time. With some companies, it costs less if you pay your premium all at once. So check with the agent.



The *rate* (cost) of your premium depends on how big a risk the insurance company thinks that you are. The company considers the following questions:

1. Are you a new driver or an experienced driver?
   - Records show that new drivers have more accidents.
2. How many accidents have you had?
3. Where do you drive your car most of the time?
4. What kind of a car do you want to insure?
   Is it "*souped up*" (hot)? Is it expensive?
5. How old are you? What is your sex? Are you married?
   - Rates are highest for young, unmarried men.
6. Did you complete a driver education program?
7. Do you have more than one car?
   - It can save you money to insure all the family's cars with one company.

EXERCISE 15: Find these missing words about car insurance in the word square.

l	i	n	s	u	r	a	n	c	e	s	t	o
i	y	e	l	m	a	r	p	o	g	a	l	m
c	a	g	e	n	t	i	f	v	o	c	i	n
e	t	e	x	p	e	r	i	e	n	c	e	d
c	o	m	p	u	l	s	o	r	y	i	l	a
n	p	r	e	m	i	u	m	a	j	d	e	g
e	x	p	r	a	i	n	t	g	u	e	m	f
k	t	i	v	l	e	a	g	e	n	n	t	o
l	r	o	u	t	c	l	a	r	p	t	u	l

insurance
coverage
compulsory
agent
rate
experienced
accident
age
premium

Before you decide to buy your insurance from that agent, shop around. There is sometimes a big difference in rates from one company to another. Also, be sure of the reputation of the company you decide on. Does it pay promptly if you have an accident? Check with relatives and friends who have insurance. What company do they have? Are they satisfied with the service?

Select your company wisely, buy enough insurance, keep paying your premiums, and you will be a lot happier if you have the bad luck of being in an accident!

What do you do if you have an accident?

1. STOP immediately. Warn other driver's of the hazard by asking someone to direct traffic or use flares or four-way flashers.

2. If there are injuries, give first aid and call for help.

3. Get information (and give yours).

   - name of driver
     his address
     his license number
     his insurance company
   - names of other passengers
   - names of witnesses

4. Call the police to complete an accident report.

5. Don't talk to anyone about the accident and whose fault it was. Don't sign any papers. (other than those of the police).

6. Contact your insurance company and make a report.

PA 600 (8-74)

COMMONWEALTH OF PENNSYLVANIA
TRAFFIC ACCIDENT REPORT

FORWARD THIS REPORT WITHIN 5 DAYS TO THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION, BUREAU OF ACCIDENT ANALYSIS, HARRISBURG, PA. 17123

Pennsylvania Vehicle Code, Article XII, Section 1217 states: All reports are confidential, not available as trial evidence.

TIME

Date of Accident (Month - Day - Year)	County	Day of Week	Hour A.M. P.M.	Check If Hit-Run ☐

SEVERITY

Estimated Total Damages $	No. of Vehicles Involved	Number Injured	Number Killed

LOCATION

TO PROPERLY LOCATE ACCIDENTS USE AS LANDMARKS: HIGHWAY STATION NUMBERS, MILEPOSTS; INTERSECTION OF TWO HIGHWAYS; BRIDGES; RAILROAD CROSSINGS; STREAMS; CITY, BOROUGH, TOWNSHIP, OR COUNTY LINES.	City - Borough - Township	On: (Street Name or Hwy No.)
	AT INTERSECTION WITH:	IF NOT AT INTERSECTION: _____FT. N S E W OF _____ STATION MARKER - INTERSECTION - ETC.

MV VEHICLE NO. 1

Operator's Name (First, Middle, Last) Mr. Mrs. Miss	Birth (month - day - year)	Operator's License No. & State
Address (Street, City, State, Zip Code)		Vehicle License No. & State
Owner's Name (First, Middle, Last) Mr. Mrs. Miss	Year / Make / Model	
Address (Street, City, State, Zip Code)		Estimated Vehicle $ Damage

USE THE FOLLOWING SECTION TO RECORD VEHICLE NO. 2, PEDESTRIAN, OR OTHER PROPERTY

OTHER

Operator's or Pedestrian's Name (First, Middle, Last) Mr. Mrs. Miss	Birth (month - day - year)	Operator's License No. & State
Address (Street, City, State, Zip Code)		Vehicle License No. & State
Vehicle or Property Owner's Name (First, Middle, Last) Mr. Mrs. Miss	Year / Make / Model	
Address (Street, City, State, Zip Code)		Estimated Vehicle $ Damage
Description of Damaged Property	Estimated Property $ Damage	Check If State-Owned Property ☐

IF MORE VEHICLES/PEDESTRIANS ARE INVOLVED USE EXTRA PAPER SAME SIZE AS THIS REPORT

PERSONS INVOLVED

NAME	Age	Sex	Veh. No.	Injury	Position	Safety Device
Operator No. 1						

INJURY CLASS
K – Killed
A – Major: Bleeding, Distorted member, Had to be removed from scene
B – Moderate: Other visible injury; bruises, limping, abrasions.
C – Minor: No visible injury but complaint of pain, etc.
N – No Injury

POSITION
1 2 3
4 5 6
1 – Driver
2-6 – Passenger
7 – Pedestrian
8 – Other

SAFETY DEVICE
1 – No Safety Device Available
2 – Available, but Not in Use
3 – Seat Belt in Use
4 – Combination Lap/Shoulder Harness in Use

POLICE INVESTIGATED ☐ NO ☐ YES If Yes, Name of Police Department

COMPLETE THIS STUB FOR YOUR INSURANCE COMPANY BUT DO NOT DETACH IT

PENNSYLVANIA MOTOR VEHICLE ACCIDENT INSURANCE INFORMATION

Date of Accident	Place of Accident (City, Borough, Township)	(County)	CASE NO.

Vehicle Type (Must Correspond to Vehicle No. 1 on Accident Report)

PRETEST - Insurance

Is this sentence true or false?

1. T F Only bad drivers have accidents.

2. T F Car insurance is required by law in your state.

3. T F Car insurance helps you pay for damages from an accident.

4. T F Car insurance doesn't pay for medical costs.

5. T F When you own a car, you must be able to pay for any damages to others if you have an accident.

6. T F You cannot get your car registration until you show that you have the required insurance.

7. T F If you don't keep paying for your insurance you will lose your registration.

8. T F You get car insurance from the police.

9. T F You must first fill out an application form.

10. T F The application form asks questions about you and your driving, not about your car.

11. T F You must have liability coverage.

12. T F Liability insurance pays for damages to your car when an accident is your fault.

13. T F Liability insurance does not pay for medical costs.

14. T F Property damage and bodily injury are both parts of liability insurance.

15. T F Personal injury protection is part of liability insurance.

16. T F Uninsured motorist coverage pays for your injury if another driver causes an accident but doesn't have insurance.

17. T F Hit-and-run means that the person causing an accident doesn't stop.

18. T F You must have collision insurance - it's a law.

19. T F Collision insurance pays for damages to your car only.

20. T F Deductible insurance means you can subtract the cost of the insurance from your income tax.

21. T F It's a law that you must have comprehensive insurance.

22. T F Comprehensive insurance pays for damage caused by something other than a collision.

23. T F No-fault insurance pays only when you don't know who caused the accident.

24. T F The premium is the cost of the insurance.

25. T F All insurance companies have the same rates.

POST TEST - Insurance

I. Is the sentence true or ...

1. T F Car insurance is required by law in your state.

2. T F Car insurance only pays for damages to cars.

3. T F You buy car insurance from a police agent.

4. T F Liability insurance includes property damage, bodily injury coverage, and personal injury protection.

5. T F There is no law that you must have collision insurance.

6. T F Deductible refers to the amount of money you must pay before the insurance company will pay the bill.

7. T F Your state requires no-fault insurance.

8. T F All insurance companies have the same rates.

II. Choose the correct answer to fill in the blank. Circle your choice.

9. The financial responsibility law means that you must pay for _____ if you cause an accident.

A. damages to your own car.

B. your own bodily injury.

C. damages to others.

10. You will not get your _____ until you prove that you have the compulsory insurance.

A. driver's license.

B. automobile registration

C. car title

11. You buy insurance from _____.

A. an agent.

B. a policeman.

C. a store.

12. The law requires that you have _____.

A. Collision Insurance.

B. Liability Insurance.

C. Comprehensive Insurance.

13. Liability Insurance includes _____.

A. Personal Injury Protection coverage.

B. Uninsured Motorist coverage.

C. Property damage coverage.

14. Uninsured Motorist coverage protect you if _____.

A. a hit-and-run driver causes the accident.

B. you don't have insurance.

C. you cause an accident with someone who doesn't have insurance.

15. Collision insurance pays for _____.

A. your bodily injury.

B. theft

C. your property damage.

16. Comprehensive insurance pays for _____.

A. your bodily injury

B. weather damage

C a hit-and-run accident

17. No-fault insurance pays if _____.

A. you cause the accident.

B. the other driver causes the accident.

C. either A or B

18. The cost of your insurance is called _____.

A. the premium

B. the rate

C. the bill

III. Fill in the blank with the correct term.

19. _____ protects you and your property in case something happens.

20. _____ coverage pays for property damage or bodily injury to others.

21. _____ coverage pays for bodily injury to you and your family.

22. _____ coverage pays for property damage to your car caused by an accident.

23. _____ coverage pays for property damage to your car not caused by an accident.

24. _____ coverage pays for injury to you if you are hit by a hit-and-run driver.

25. With _____ insurance your company pays your medical costs no matter who causes the accident.

DIALOGUES

I. It's 7 A.M. Bill and Sue are driving to work.

Bill - Watch out Sue - there's a stop sign ahead!

Sue - Oh no, I can't stop in time. There's a car coming!

screech...Bang!!

Bill - Sue, Sue are you okay?

Sue - Oh... I think so. I sure am glad we had seat belts on.

Bill - yeah. We'd better check the people in the other car.

Sue - They're all out of the car looking at the damage. I'll put on my four way flashers to warn other drivers and then I'll be out.

Questions: Please answer using complete sentences.

1. Whose fault was the accident?

2. What helped to keep Bill and Sue safer during the accident?

3. What did Sue do to warn other drivers of the traffic hazard caused by the accident?

II. Bill is out of the car. Sue joins him. They talk to the people from the other car.

Bill - Hello. Is everyone okay?

John - Yes, I think so. My wife bumped her head on the dashboard, but she seems okay.

Bill - Here, I have a paper I'll write down our names and address. Our insurance company is Countrywide National Insurance. Our license is QX1112.

Sue - May we have your name and address, please? What is your insurance company and license number? Oh, and we should also know the names of your passengers.

John - Here, I'll write it all down for you.

Bill - I'd better go to that house over there to call the police.

Sue - Okay, and I'll see if anyone else saw the accident happen.

Questions:

1. Were there any injuries?

2. What information did the drivers exchange?

3. Who else did Bill want to tell about the accident?

DIALOGUES
(3)

III. The police have finished filling out the accident report.

Officer Lee - Okay, Sue. That'll be it. You can go back to your car now. Looks like the tow trucks are here.

Sue - Thank you officer.

Bill - What does he estimate the damages to be?

Sue - $750 for John's car and $600 for ours, but we have to get estimates from three body shops for the insurance company.

Bill - Oh yeah, we'd better call our agent as soon as we get home. There's John. John, do you have a way to get home.

John - Yes, thanks, I called my brother.

Bill - Okay then, our ride is here. Our insurance company will call you.

John - Thanks.

Questions:

1. Why were the police there?

2. How much is the property damage?

3. What kinds of insurance should Sue have to cover the damages from the accident? Don't forget John's wife's head!

DO YOU KNOW THESE TERMS?

Page 1

1. control - the ability to handle, to direct the car.
   controlar el carro
   Diều Khiển

2. legal problems - law suits
   problemas legales
   Kiện tụng (law suits)

3. insurance - a way of protecting against loss.
   seguros
   Bảo hiểm

4. financial responsibility law - says that the owner of a car must be able to apy for damages to others if he or anyone driving his car is in an accident.
   la ley de responsabilidad financiera
   Luật chịu trách nhiệm về tiền bac

Page 3

5. compulsory - required
   obligatorio
   Bắt buộc

6. insurance coverage - the risks covered by an insurance policy.
   seguros
   Những điều khoản bồi thường bao gồm bởi bảo hiểm.

Page 5

7. insurance agent - the man who sell insurance.
   agente de seguros
   Người bán bảo hiểm

Page 8

8. liability insurance - helps you pay for damages to others if an accident is your fault.

seguros de responsabilidad

Bảo hiểm cho xe bị đụng trong trường hợp mình có lỗi.

9. bodily injury liability - covers payment of medical, hospital or funeral costs of others.

seguros contra daños a la persona

Bồi-thường thương-tích, Bệnh-viện và ma chay cho những người bị mình đụng.

10. property damage liability - covers damage to the property of others.

seguros contra daños a la propiedad

Bảo hiểm bồi thường xe cho người bị mình đụng.

Page 10

11. personal injury protection coverage - pays for yours and your family's medical, hospital, or funeral expenses no matter who caused the accident.

seguros de protección contra daño personal

Bảo hiểm bồi thường thương-tích, bệnh-viện và ma chay cho mình và gia đình (không kể bên nào lỗi).

12. uninsured motorist coverage - pays for you and your family's costs of bodily injury caused by a driver who doesn't have liability insurance or by a hit-and-run driver.

protección contra chofer no-asegurado

Bảo hiểm thương tích và nhân mạng cho mình và gia đình trong trường hợp xe kia không có bảo hiểm hoặc mình bị đụng và bỏ chạy.

Page 10

13. hit-and-run - the driver causing an accident does not stop.

escaparse de un choque sin reportarlo

Dụng rồi bỏ chạy

Page 12

14. collision insurance - helps you pay for damages to your car.

seguros contra accidente

Bảo hiểm đụng xe.

15. deductible - you pay the first part of the bill ($50, $100, or $250)

deducible

Số tiền đầu tiên mình phải trả để sửa xe của mình.

Page 14

16. comprehensive insurance - protects your car from damage caused by something other than a collision.

seguros comprensivos

Bảo hiểm xe dụng những vật khác ngoài xe hơi.

Page 16

17. no-fault insurance - if you are in an accident, your insurance company pays for your medical bills and wages, and those of your passengers; the other driver's company pays for his bills and losses - IT DOESN'T MATTER WHO CAUSED THE ACCIDENT.

seguros obligatorios

Bảo hiểm xe nào trả cho xe nầy.

Page 18

18. premium - the cost of the insurance

prima de seguro

Tiền trả cho bảo hiểm

19. rate - cost

tarifa

Giá tiền

20. souped-up - many extras are added to make the car fancy or run faster.

carro deportivo

Những đồ gắn thêm vào để làm cho đẹp hoặc chạy mau hơn.